GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:277
ANSWERED ON:04.12.2007
TEA INDUSTRY
Rathod Shri Harisingh Nasaru;Reddy Shri Mekapati Rajamohan

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has chalked out any crash programme to rejuvenate the tea industry in the country; and

(b) if so, the details thereof?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) & (b): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) AND (b) OF LOK SABHA STARRED QUESTION NO. 277 FOR ANSWER ON 4TH DECEMBER, 2007 REGARDING `TEA INDUSTRY`

(a) & (b) : The Government has set up a Special Purpose Tea Fund(SPTF) for funding Replantation and Rejuvenation activities aimed at improving the age profile of tea plantations with a view to increasing the productivity and improvement in the quality of tea produced. The scheme is being administered through Tea Board.

The Government intends to cover an area of 2.12 lakh ha. (1.7 lakh ha. for Replantation and 0.42 lakh ha. for rejuvenation) with financial outlay of Rs. 4761 crore which includes Rs. 4360 crore for Replantation and Rs. 401 crore for Rejuvenation over a period of 15 years. However, to begin with, the scheme has been approved for implementation till the end of 11th Plan with an estimated outlay of Rs.567.10 crores (subsidy of Rs. 476.10 crore and Rs. 91.00 crore towards capital contribution) to be provided by the Government. The estimated area to be taken up for Replantation and Rejuvenation during the period is estimated to be 85,044 hectares, comprising replantations in 68,154 hectares and Rejuvenation in 16,890 hectares. Under the Scheme, the borrower is required to contribute 25% as margin money. 25% will be arranged by the Government in the form of subsidy and the remaining 50% will be in the form of loan from the Special Purpose Tea Fund. The scheme has received a good response from the tea industry.

Besides, a number of Plan schemes are being implemented by the Tea Board under which financial and technical assistance is being provided to the tea plantations and factories. Government has also announced a rehabilitation package for closed tea gardens which were lying closed as on 1.4.2007 and as a result thereof, 10 of these 33 closed tea gardens have since reopened.